



GOVERNMENT OF PUERTO RICO
Puerto Rico Fiscal Agency and Financial
Advisory Authority

July 19, 2018

BY ELECTRONIC MAIL

Rafael Rojo
Jorge Irizarry
Bonistas del Patio, Inc.
Po Box 20868
San Juan PR 00928

Re: Bonistas del Patio, Inc. Professional Fees and Expenses

Dear Messrs. Rojo and Irizarry:

As you know, the Puerto Rico Fiscal Agency and Financial Advisory Authority ("AAFAF")¹ believes that Bonistas del Patio, Inc. ("BDP") and its counsel Davis Polk & Wardwell LLP ("Davis Polk") and financial advisor Ducera Partners ("Ducera") have been playing and continue to play a constructive role on behalf of the BDP's constituency, the Puerto Rico resident holders of debt issued by the Commonwealth of Puerto Rico and its agencies and instrumentalities (the "Local Bondholders"), in the mediation in the cases under Title III of PROMESA (the "Title III Cases") pending in the United States District Court for the District of Puerto Rico (the "District Court"). AAFAF also believes that, because of the complexity and importance of the mediation and the need for the interests of the Local Bondholders to be adequately represented by parties committed to negotiating with all constituents to achieve a constructive and consensual solution to the Puerto Rico debt crisis, the engagement by BDP of experienced external lawyers and financial advisors provides significant benefits to local constituents and the Commonwealth alike.

A proposed plan of adjustment in any of the Commonwealth's or its instrumentalities' Title III Cases or any proposed settlement in any such Title III Case that is subject to approval of the District Court (a "Title III Plan or Settlement") may require the Commonwealth or the applicable

¹ AAFAF is an entity authorized to act on behalf of the Commonwealth and its instrumentalities under the authority granted to it under the Enabling Act of the Fiscal Agency and Financial Advisory Authority, Act 2-2017.





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debtor to pay the reasonable fees and expenses of Davis Polk and/or Ducera as advisors to BDP (a **"Fee Payment Provision"**). AAFAF hereby agrees, for the benefit of BDP and the Local Bondholders, that, to the extent a Title III Plan or Settlement contains a Fee Payment Provision, AAFAF will not object in any capacity to such Fee Payment Provision (or such Title III Plan or Settlement on the grounds that it includes such a Fee Payment Provision).

For the avoidance of doubt, the foregoing is without prejudice to AAFAF's rights to object to any Title III Plan or Settlement on grounds other than the fact that it contains a Fee Payment Provision. In addition, while the Commonwealth or an instrumentality thereof may become obligated under a Fee Payment Provision to pay such fees and expenses under a Title III Plan or Settlement, absent such a Title III Plan or Settlement this letter does not itself create any obligation on the part of the Commonwealth or any such instrumentality to pay any fees and expenses.

Very truly yours,

A handwritten signature in blue ink, appearing to read "GJP", written over a horizontal line.

Gerardo J. Portela Franco
Executive Director
Puerto Rico Fiscal Agency and
Financial Advisory Authority

cc: Honorable Barbara J. Houser
José Carrión
Andrew Biggs
Carlos García
Arthur Gonzalez
José González
Ana Matosantos
David Skeel
Christian Sobrino
Martin Bienenstock
Donald S. Bernstein
Natalie Jaresko

